

TENNESSEE REGULATORY AUTHORITY



FOR IMMEDIATE RELEASE

February 2, 1999

CONTACT:

**Greg Mitchell
615-741-2904
Ext. 131**

TRA GRANTS PERMISSION TO ELECTRIC COMPANY TO PROVIDE TELEPHONE SERVICE

NASHVILLE - Action was taken today by the Directors of the Tennessee Regulatory Authority (TRA) to move Tennessee one step closer towards true competition in the state's \$2.5 billion telecommunications market.

Directors of the TRA voted to approve the Electric Power Board of Chattanooga's (EPB) request to offer local telephone service in Tennessee. The vote was unanimous.

Chattanooga based EPB is the first electric company in Tennessee to make a request to offer local telecommunications service.

And as a result of today's unique and noteworthy decision, Tennessee consumers are a little closer to having a wider choice of who provides their local telephone service.

"This is a significant decision, not only for the citizens of Tennessee but for telecommunications service providers as well because it enhances competition in the state and gives choices to consumers," says Joe Werner, the TRA's Chief of Telecommunications.

The Tennessee General Assembly revised the Tennessee telecommunications laws in 1995 to jump start competition in the state's local markets. The following year, Congress revised the federal telecommunications laws to do the same thing. (Previous to these revisions, competition was only permitted in the long-distance markets.)

Having been found to possess the financial capabilities required by state law to provide telecommunications services in the state of Tennessee and to have further demonstrated sufficient technical and managerial capabilities, EPB can begin offering their services immediately.

Page 2

The Electric Power Board of Chattanooga is a Tennessee municipal corporation. It currently provides electric services to six Tennessee counties including Hamilton, Bledsoe, Bradley, Marion, Ray, and Sequachie counties. The municipality also provides utility services to three counties in the state of Georgia.

###